IN THE ABSTRACT:

Please substitute the following abstract for the abstract starting at page 35, line 2 and ending at line 8 and insert the following.

An image processing apparatus for composting an image of a virtual object and ~~an~~ image of a physical space ~~image~~ to generate a mixed reality image and causing an HMD to display the mixed reality image, includes ~~a database, an image capturing unit attached to the HMD, a first measurement unit which measures a position and orientation of the HMD, an object manipulation unit to operate a position and orientation of the virtual object, and a second measurement unit which measures a position and orientation of the object manipulation unit. In addition,~~ an operation panel, positioned in a physical space, ~~displays~~ to display an operation panel image used for editing the virtual object, and ~~is~~ capable of receiving a user instruction of editing the virtual object, ~~and~~ an operation panel image generation unit ~~generates~~ to generate the operation panel image by using the data held in the database, ~~and.~~ In addition, a rendering unit updates data held in the database according to user instruction received via the operation panel and the measurement result of the second measurement unit, and renders, by using the updated data, the image of the virtual object according to the measurement results of the first and second measurement units. A composition unit composites the rendered image of the virtual object and the captured image of the physical space ~~image~~ to generate the mixed reality image, and an HMD displays the generated mixed reality image.